

The Salt Lake Tribune

Lawsuit implicates brothers from Utah polygamous sect in airline conspiracy involving Turkey's attempted coup; Robert Mueller is mentioned, too



(Photo by Ihlas Haber Ajansı published with permission.) In this September 2017 photo, Jacob Ortell Kingston, left, the chief executive of Washakie Renewable Energy, meets with Sezin Baran Korkmaz, chief executive of SBK Holding, Turkish President Recep Tayyip Erdoğan and Caglar Sendil, the president of Mega Varlik Corporation. According to the Turkish news agency Ihlas Haber Ajansı, the four discussed Washakie and SBK's planned investments in Turkey. In August of 2018, Kingston was indicted by the U.S. Department of Justice on charges of fraud and money laundering. His brother Isaiah Kingston was indicted for money laundering.



By Nate Carlisle

Published: 8 hours ago
Updated: 54 minutes ago

After an unsuccessful attempt to overthrow the president of Turkey in 2016, associates of two brothers from a Utah polygamous sect, who are now under indictment, started a media campaign to force the sale of an airline, according to a new federal lawsuit.

The lawsuit also spells out the connection the two brothers, Jacob and Isaiah Kingston, have to a man indicted by special counsel Robert Mueller in his investigation into Russian meddling in the 2016 election. That connection runs

through Turkey, a country that has frequently come up in the past year as the Kingston brothers have faced lawsuits and a lengthy indictment alleging fraud and money laundering at their biofuel company, Washakie Renewable Energy.

Jacob and Isaiah Kingston are not defendants in the latest lawsuit, filed this week in federal court in New Hampshire. They are called “nonparty co-conspirators” in what the lawsuit calls a racketeering and fraud scheme.

The lawsuit focuses on a regional Turkish airline called Borajet. The plaintiff, Yalcin Ayasli, a businessman with both Turkish and U.S. citizenships, bought Borajet’s forerunner in 2007. He was in the midst of expansion plans when, in 2016, a faction of the Turkish military staged an unsuccessful coup.

People wave Turkish flags during a commemoration event for the second anniversary of a botched coup attempt, in Istanbul, Sunday, July 15, 2018. Turkey commemorates the second anniversary of the July 15, 2016 failed military attempt to overthrow Turkey's President Recep Tayyip Erdogan with a series of events honouring some 250 people, who were killed across Turkey while trying to oppose coup-plotters.(AP Photo/Emrah Gurel)

Ayasli’s lawsuit alleges that after the coup, another Turkish businessman, Sezgin Baran Korkmaz, with the help of fellow businessman Kamil Ekim Alptekin, began defaming Ayasli by telling Turkish journalists that he had political and financial ties

to the renegade soldiers. The news reports caused other airlines to end what are called code-share agreements, in which airlines book customers' flights on their partners' planes, with Borajet, the lawsuit says.

The lawsuit also says "Korkmaz threatened, intimidated and in at least two known cases, physically assaulted Dr. Ayasli's business associates and attorneys," in an effort to force a sale to Korkmaz's company. Ayasli eventually sold the airline to Korkmaz.

Korkmaz, who is a defendant in the lawsuit, has been a business partner with Jacob Kingston, including in Borajet after Ayasli sold it. Ayasli's lawsuit says even after the sale, Jacob Kingston, Korkmaz and Alptekin bought debt guaranteed by Ayasli in an effort to extort him for money.

The lawsuit doesn't specify the sale price of Borajet, but Ayasli alleges the schemes cost him \$230 million. Ayasli is asking for a jury to determine damages.

He alleges Korkmaz and Jacob Kingston's goal was to quickly resell Borajet at a profit, but were unable to do so. The airline ceased operation in April 2017. Ayasli then cites the criminal indictments against Jacob and Isaiah Kingston to allege they laundered the money from Borajet and the alleged extortion.

FILE - In this June 21, 2017, file photo, special counsel Robert Mueller departs after a meeting on Capitol Hill in Washington. Mueller is set to reveal more details about his Russia investigation as he faces court deadlines in the cases of two men who worked closely with President Donald Trump. (AP Photo/J. Scott Applewhite, File)

Alptekin is not a defendant in the lawsuit. Mueller unsealed an indictment against him in December. Alptekin is accused of conspiracy, acting in the United States as an illegal agent of Turkey's government, and four counts of making false statements to the FBI. The indictment alleges he worked with former National Security Adviser Michael Flynn to illegally lobby for Turkey to help feed reporters stories about a person the Turkish government did not like.

Korkmaz received a subpoena to testify in the Mueller investigation. The lawsuit says that on Sept. 22, 2017, Korkmaz sent Ayasli a copy of the grand jury subpoena in an effort to intimidate Ayasli and make him think he had political connections with the Mueller probe and could exert influence on Ayasli in the United States, too.

Korkmaz did not return messages to his offices in Turkey seeking comment. Lawyers in Utah for Jacob and Isaiah Kingston did not reply either.

Jacob and Isaiah Kingston, as well as their mother, Rachel Kingston, and Jacob Kingston's wife, Sally Kingston, are accused of using Washakie Renewable Energy to defraud a U.S. government biofuel tax credit and launder about \$500 million in proceeds. Their other co-defendant is Lev Aslan Dermen, also known as Levon Termendzhyan. All five criminal defendants have pleaded not guilty. Their trial is scheduled for May in federal court in Salt Lake City, though in a hearing Tuesday, defense attorneys asked for more time to prepare. A judge is weighing postponing the trial to June or July and scheduling it to last eight weeks.

Turkey's President Recep Tayyip Erdogan, center, carries a coffin as he joins hundreds of mourners who attend the funeral prayers for nine members of


Alemдар family killed in a collapsed apartment building, in Istanbul, Saturday, Feb. 9, 2019. Erdogan says there are "many lessons to learn" from the collapse of a residential building in Istanbul where at least 17 people have died.(Presidential Press Service via AP, Pool)

In arguing that the two Kingston brothers and Dermen should remain in jail until trial, prosecutors and federal agents have described how the three sought to gain influence with Turkish President Recep Tayyip Erdoğan and other officials there. The defendants, prosecutors have contended, wanted to ensure Turkey would not extradite them to the United States if indicted.

Ayasli's lawsuit also accuses Korkmaz of filing bogus litigation in Turkey. The lawsuit says on Valentine's Day, police from an anti-terror and organized-crime squad raided the offices of Ayasli's lawyer and seized his computer and other materials.



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